



Industry Funded Projects with Flexible Solutions for Intellectual Property

Industry sponsors often fund projects in which the research results are patentable inventions or copyrightable matter ("IP"). ISU's Flexible Solutions provide sponsors with multiple approaches to owning, protecting and licensing IP resulting from research projects. Contact the OIPTT Industry Contracts Team with questions regarding any of these Flexible Solution models.



Common Features – All Flexible Solution Models

- Sponsor has the right to review public disclosures, remove its confidential information, and request delay to protect patentable subject matter
- Federally negotiated F&A rate applies



Flexible Solution A – Traditional University IP Model

- Inventorship laws determine ownership of IP
- ISU grants sponsor a royalty-free, non-exclusive license to IP and an option to negotiate a royalty-bearing exclusive license to IP
- ISURF manages patenting activities with sponsor's financial support
- ISU's background intellectual property requires separate license



Flexible Solution B – Managed Financial Risk IP Model

- Inventorship laws determine ownership of IP
- Sponsor supports the full project cost; no federal or state money can be used
- ISU grants sponsor an option to negotiate an exclusive license with 1% royalties of net sales starting in the year annual sales using IP reaches \$20M. License includes:
- Right to sublicense in field of use
- No annual minimums
- No additional technology commercialization fees
- Sponsor manages, directs, and pays for all patenting activities
- Sponsor manages its licensing financial risk at the time of contracting by prepaying the greater of an additional nonrefundable fee of 10% of the full project cost or a minimum fee of \$15,000
- No ISU background intellectual property can be associated with the project
- Sponsor and ISU must agree to use Flexible Solution B



Flexible Solution C – Ownership by Sponsor IP Model

- ISU assigns ownership of IP to sponsor
- Sponsor supports the full project cost; no federal or state money can be used
- Sponsor prepays a nonrefundable IP assignment fee of 75% of the full project cost
- No ISU background intellectual property can be associated with the project
- Sponsor and ISU must agree to use Flexible Solution C

Contact Information

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